



COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR



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May 22, 2009

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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

FISCAL YEAR 2009-10 BUDGET - UNMET NEEDS

In accordance with instructions from the Chief Executive Office (CEO), I am submitting the Treasurer and Tax Collector's (TTC) Fiscal Year (FY) 2009-10 unmet needs.

In order to meet the CEO's target allocation for 2009-10, the TTC reduced Net County Cost (NCC) by \$3.5 million, a decrease of 14% from FY 2008-09. This significant reduction was achieved by budgeting additional revenues of \$2.38 million and by curtailing non-revenue generating positions. This curtailment is in addition to a 2.6% reduction in NCC in the current fiscal year. Therefore, TTC's NCC has been reduced nearly 17% over a two-year period.

TTC previously submitted a description of several unmet needs with our FY 2009-10 Proposed Budget. The following are our two most critical and highest priorities:

RESTORATION OF THE PUBLIC COUNTER

The decision to close the Public Service Counter on the First Floor lobby of the Kenneth Hahn Hall Administration was not arrived at lightly. The current configuration of the Public Service Counter has been in place for at least 10 years and is, no doubt, convenient for taxpayers that are willing to come downtown. However, numerous alternatives have been made available in recent years for the most requested services, including substitute tax bills and payment verifications. Many of these services are now available through the County's Property Tax Portal, the TTC website, e-mail, and/or the

Interactive Telephone System (IVR). As such, the Public Service Counter was included in our curtailments only to meet the target NCC.

Once the positions are deleted in the budget process, permanent reassignment of the current public counter staff will permit the staffing resources to work on revenue generating activities, such as unsecured property tax collection, bankruptcy filings and follow-up, defaulted properties, and public auction preparations and activities. Staffing in the Correspondence and Telephone Units will remain unchanged unless additional curtailments are imposed.

The TTC will continue to serve the taxpayer's immediate needs through its public counter services in Rooms 122 and 130. During peak installment periods, the TTC intends to meet public service demands through temporary services on the First Floor lobby to accommodate high-volume requests for substitute tax bills.

In order to keep the existing public counter open throughout the year, TTC is requesting \$327,000 to restore 7.0 FTE positions.

INTEGRATED PROPERTY TAX SYSTEM POSITIONS

The County's legacy property tax systems perform the assessment, billing, collection, and apportionment of \$13.5 billion in property tax revenues annually. However, many of these legacy systems are at least 20 years old and no longer adequately accommodate the needs of the property tax departments. As a result of a joint recommendation with the Treasurer and Tax Collector, Auditor-Controller and Acting Chief Information Officer, your Board authorized the utilization of \$1.5 million from the Information Technology Fund (ITF) to obtain consulting services as the first phase of an integrated property tax system (eTAX) for the County. Under Phase I, a consultant would be retained to:

- Assist in defining business requirements for eTax
- Develop an implementation plan and costs
- Develop a logical or business architecture for eTax
- Assist in drafting a Request for Proposal for software and implementation services

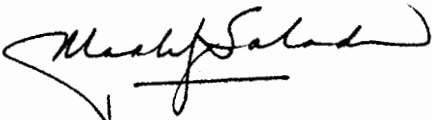
The new workload resulting from the first phase described above, will require substantial labor resources from TTC to document in detail the Department's extensive business requirements, desirable enhancements and integration efforts, assist in drafting the Request for Proposal for software and implementation services, and most importantly, to keep the project on schedule. Without additional labor resources to

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devote to this very complex integrated process, the timeliness and ultimate success of this process could be in jeopardy. In order to satisfy the documentation and coordination efforts with the other property tax departments, we are requesting \$250,000 to fund 1.0 Principal Information Systems Analyst, 1.0 Information Systems Analyst I, and associated services and supplies.

If you should have any questions, please contact me or your staff can contact Anthony Yakimowich, Chief Deputy, at (213) 974-2184.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark J. Saladino", with a stylized flourish at the end.

MARK J. SALADINO
Treasurer and Tax Collector

MJS:AY:KK:jab

c: Chief Executive Officer